

## **IHFA AFFORDABLE HOUSING CONFERENCE – SECTION 8 ROUNDTABLE NOTES**

Moderator: Dwight Cooper

Guests: Eileen Mitcheltree, Delores Everett, Gena Tursi, and Franca Hetue –HUD - Indiana Office

Bev Jackson, Sam Burch, Samir Yasa, Tara Appleby, Richard Cronin – Indiana Quadel

Gentleman from Fort Wayne inquired about availability of Section 8 coverage in rural areas he serves. He remarked that he doesn't see much Section 8 in his area. Eileen Mitcheltree commented that Rural Development has most rural rental supplements, although some Section 8 is present. She stated that more than multiple subsidies could apply to one property. He was advised to talk to John Young at Rural Development. The only new Project Based Section 8 goes to Elderly properties.

A short discussion to explain the differences between tenant based and project based subsidy took place.

Heidi Monroe, Puller management RPM, asked if recent 2530 on a consultant would be removed on any new projects. It was explained that the 2530 never is removed, and will always show up in the history of that development. Ms. Monroe expressed concern that this would impact a new development. Eileen Mitcheltree stated that this finding would likely trigger conversation between Indiana HUD and HQ. However, HQ would determine how it impacts the new development.

Bev Jackson distributed INQ staff chart and explained that INQ contract specialist change territories every year beginning in October.

INQ staff distributed REAC inspection information, a list of 2001 and 2002 HUD notices, a copy of the new model lease and a list detailing the most frequent mistakes on contract renewals and rent increase requests.

Conference participant stated that they had received notice of a REAC inspection but it never took place. Eileen Mitcheltree stated that she would look into that situation.

Jill Meals-Herron, F & C management, discussed problems with voucher submissions and wanted to know if there was a way to check the submission to insure that property sees the same information received by INQ. Tara Appleby, INQ Payment Supervisor, explained the timing sequence and discussed possible problems. It was suggested that this particular problem could be a software glitch on the property end. She suggested checking with software provider, checking TRACCS messages for complete explanation of problem, and possibly getting a HUD secure ID in order to be able to view all categories for last 18 months of information accepted by TRACCS. HUD HQ wants all PBCA's to achieve 100% accuracy on submissions, but has lowered the requirement to 85% because of their software problems.

A question was raised regarding the baseline submissions. It was stated that data problems could have been created since the submission.

A question was asked concerning the correct date to be placed on a corrective certification. Tara Appleby explained that it depended on what you were trying to achieve. However, it should contain the same date as the original – the first day of the month of the certification.

It was asked if the October INQ training would cover the new 5350.3. It was explained that the release date on the handbook had not been announced, but if it handbook is released; it most likely would be a part of the training.

The new model lease should be executed by all tenants upon annual re-certification.

Zero income tenant information CAN be updated every 30 days, but owner should decide on frequency. A reminder was given that whatever frequency used must be applied to all tenants.

Discussion was held regarding tenants who are on a repayment plan. The repayment should be paid monthly over the 12-month period. The initial payment should be accompanied by a copy of the repayment agreement. If the tenant moves-out during this period, an Un-claimed rent payment would have to be filed for the remaining portion. If the property made an error, the payment would be in a lump sum.

It was stated by Samir Yasa, Contract Manager INQ, that coop's should be encouraged to adopt new model lease.

Sam Burch of INQ stated that it is critical that rent adjustments and/or contract renewals are due 120 days prior to contract renewal date. Properties requesting Budget Based and OCAF rent increases are limited to one (1) per year.

It was stated that the common goal of HUD and INQ is to implement Section 8 requirements consistently, regardless of the property size. This leads to less work for everyone involved. There is no desire to increase the workload for either party, but a strong desire to see that all HUD requirements are administered evenly and fairly.

There is a need to have on-site personnel prepare materials for M&O reviews ready ahead of time. The introductory letter lists items that will be checked and sufficient time is given to have items ready for the Contract Specialist at the beginning of the interview. Orderly and accessible documentation is an asset. Using a copy of last years review will be an advantage in the properties preparation. Property files should have a standard, consistent format. The exact order is determined by the management company, not HUD or INQ,

Bev Jackson, INQ Managing Director, remarked that the new 4350.3 is written in layman terms and is in an easier to understand format.

A question was asked regarding the best software to use. INQ, HUD, and IHFA cannot recommend software or vendors nor can they discourage you from particular software. A list of vendors is available on the HUD website. Several key factors in choosing software were mentioned in the light of what the software must be able to do.

The statement was made that some TRACCS messages don't make sense. It was suggested that users might get help from the FAQ section on TRACCS site. TRACCS does also respond to e-mail request promptly.

The meeting adjourned at 10:00 am. Many thanks to Sheryl Sharpe for taking these notes.

